

Part B Consultation Questions

Please reply to the questions below that are raised in the Concept Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017061.pdf>

Please indicate your preference by checking the appropriate boxes.

Where there is insufficient space provided for your comments, please attach additional pages.

1. What are your views on the need for Hong Kong to seek to attract a more diverse range of companies and, in particular, those from New Economy industries to list here? Do you agree that the New Board would have a positive impact on Hong Kong's ability to attract additional New Economy issuers to our market?

Please give reasons for your views.

It is definitely an advantage to HK for attracting more innovative business and New Economy industry to list here. New Board is a good set up to enhance the composition of listco in HK market.

2. What are your views on whether the targeted companies should be segregated onto a New Board, rather than being included on the Main Board or GEM?

Please give reasons for your views.

HK has been stick with the traditional economy and only favour those company with profitability tract record to get listed in Main or GEM board. It is a good idea to separtate those new company which can't go with the "traditional" way and still have a role to play in HK market.

3. If a New Board is adopted, what are your views on segmenting the New Board into different segments according to the characteristics described in this paper (e.g. restriction to certain types of investor, financial eligibility etc.)? Should the New Board be specifically restricted to particular industries?

Please give reasons for your views.

Limiting Pro board to institution sounds fair while there is no need to specifically define what is an eligible industry for New Board, investor are free to choose what they are willing to invest and sophisciated enough to decide what is "New Economy"

4. What are your views on the proposed roles of GEM and the Main Board in the context of the proposed overall listing framework?

Please give reasons for your views.

The New Board should allow companies that can't fit in the "traditional" rules but still have good investment value to get listed, shouldn't be contradict with the existing two board. In US, there are more than two board, why can't HK have the same structure.

5. What are your views on the proposed criteria for moving from New Board PRO to the other boards? Should a public offer requirement be imposed for companies moving from New Board PRO to one of the other boards?

Please give reasons for your views.

As long PRO company can fulfil the listed criteria of other boards, they should be free to move.

6. What are your views on the proposed financial and track record requirements that would apply to issuers on New Board PRO and New Board PREMIUM? Do you agree that the proposed admission criteria are appropriate in light of the targeted investors for each segment?

Please give reasons for your views.

sounds fair

7. What are your views on whether the Exchange should reserve the right to refuse an application for listing on New Board PRO if it believes the applicant could meet the eligibility requirements of New Board PREMIUM, GEM or the Main Board?

Please give reasons for your views.

Free trade and speech is the core value of HK, over regulated environment in fact will hinder the development of entity. why should regulators force the will of an applicant where to list if they are eligible for all boards

8. What are your views on the proposed requirements for minimum public float and minimum number of investors at listing? Should additional measures be introduced to ensure sufficient liquidity in the trading of shares listed on New Board PRO? If so, what measures would you suggest?

Please give reasons for your views.

HK should move towards the standard of US and not to focusing on over-regulated measure. if there is insufficient liquidity in PRO, so be it, the market will adjust by itself.

9. What are your views on whether companies listed on a Recognised US Exchange that apply to list on the New Board should be exempted from the requirement to demonstrate that they are subject to shareholder protection standards equivalent to those of Hong Kong? Should companies listed elsewhere be similarly exempted?

Please give reasons for your views.

As far as the applicate is listed on any recongised board, giving certain exemption sounds fair.

10. What are your views on whether we should apply a “lighter touch” suitability assessment to new applicants to New Board PRO? If you are supportive of a “lighter touch” approach, what relaxations versus the Main Board’s current suitability criteria would you recommend?

Please give reasons for your views.

as far as it has a sound business model, regulator should be more relax on the profitability and size. PRO board should incubate companies with idea and innovation, something HK has been lacking for years. SNAPchat, Facebook or even Wechat Pay, these companies are the trial product from innovation. Octopus was a successful platform created in HK, but without new idea, it would be fated very soon. Invisible hands from regulators should give more room to PRO applicant rather than limiting them.

11. What are your views on whether the New Board PRO should be restricted to professional investors only? What criteria should we use to define a professional investor for this purpose?

Please give reasons for your views.

current definition of PI in hk regime sounds fair enough

12. Should special measures be imposed on Exchange Participants to ensure that investors in New Board PRO-listed securities meet the eligibility criteria for both the initial placing and secondary trading?

Yes

No

Please give reasons for your views.

13. What are your views on the proposal for a Financial Adviser to be appointed by an applicant to list on New Board PRO, rather than applying the existing sponsor regime? If you would advocate more prescriptive due diligence requirements, what specific requirements would you recommend be imposed?

Please give reasons for your views.

Difficult to judge how a Financial Adviser can understand the business model of a PRO applicant if they don't have a sponsor.

14. What are your views on the proposed role of the Listing Committee in respect of each segment of the New Board?

Please give reasons for your views.

Listing Committee should give free hand to listing division on deciding the application on PRO Board.

15. Do you agree that applicants to listing on New Board PRO should only have to produce a Listing Document that provided accurate information sufficient to enable professional investors to make an informed investment decision, rather than a Prospectus? If you would advocate a more prescriptive approach to disclosure, what specific disclosures would you recommend be required?

Yes

No

Please give reasons for your views.

Highlighting on the warning statement would be fair enough

16. What are your views on the proposed continuous listing obligations for the New Board? Do you believe that different standards should apply to the different segments?

Please give reasons for your views.

given New Board is a new hybrid, there could be some leeway for adopting different standards

17. For companies that list on the New Board with a WVR structure, should the Exchange take a disclosure-based approach as described in paragraph 153 of this Concept Paper? Should this approach apply to both segments of the New Board?

Please give reasons for your views.

Yes

18. If, in addition, you believe that the Exchange should impose mandatory safeguards for companies that list on the New Board with a WVR structure, what safeguards should we apply? Should the same safeguards apply to both segments of the New Board?

Please give reasons for your views.

Supporting with proper legal adviser and fully disclosing the nature of WVR. In the past, HK also has B Share for companies like Swire. WVR is just a version 2.0

19. Do you agree that the SEHK should allow companies with unconventional governance features (including those with a WVR structure) to list on PREMIUM or PRO under the "disclosure only" regime described in paragraph 153 of the Concept Paper, if they have a good compliance record as listed companies on NYSE and NASDAQ? Should companies listed elsewhere be similarly exempted?

Please give reasons for your views.

YES. companies listed in reconigised exchange should also be exempted.

20. What are your views on the suspension and delisting proposals put forward for the New Board?

Please give reasons for your views.

no view at the moment

21. Should New Board-listed companies have to meet quantitative performance criteria to maintain a listing? If so, what criteria should we apply? Do you agree that companies that fail to meet these criteria should be placed on a "watchlist" and delisted if they fail to meet the criteria within a set period of time?

Please give reasons for your views.

quantitative measure like growth rate or even number of investors may serve as a parameter

22. Do you consider that an even "lighter touch" enforcement regime should apply to the New Board (e.g. an exchange-regulated platform)?

Yes

No

Please give reasons for your views.

Given the position of New Board is to bleed companies in New Economy, more room should be given on the compliance and regulatory side as long as it is a legitimate entity with sound business model.

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